

NOTICE OF PROPOSED RULEMAKING

The Department of Justice proposes to amend section 4001 of Title 11, Division 5, Chapter 1, of the California Code of Regulations (CCR) concerning Dealer's Record of Sale (DROS) fees after considering all comments, objections, and recommendations regarding the proposed action.

PUBLIC HEARING

The Department of Justice (DOJ) will hold a public hearing on Wednesday, September 15, 2010, to receive public comments on the proposed regulatory action. The hearing will be held at 9:00 a.m., at the Department of Water Resources auditorium at 1416 9th Street, Sacramento. The auditorium is wheelchair accessible. At the hearing, any person may present oral or written comments regarding the proposed regulatory action. The DOJ requests, but does not require, that persons who make oral comments at the hearing also submit a written copy of their testimony.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the DOJ. The written comment period closes on September 15, 2010 at 5:00 p.m. Only comments received at DOJ by that time will be considered. Written comments should be submitted to:

Mail: Jeff Amador
Department of Justice
P.O. Box 820200
Sacramento, CA 94203-0200
or
Email: jeff.amador@doj.ca.gov

AUTHORITY AND REFERENCE

Authority: Penal Code section 12076
Reference: Penal Code sections 12072, 12076, 12083, and 12289

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Penal Code section 12076, subdivision (f), authorizes the DOJ to charge a fee sufficient to reimburse its costs for processing Dealer's Record of Sale (DROS) transactions. Since November 2004, the basic DROS fee has been \$19. The proposed regulations would lower the DROS fee to \$14.

The proposed regulations would also require the department to review its DROS revenues and DROS-related expenses at the end of each fiscal year to determine whether it is necessary to adjust the DROS fee. By November 1, 2010 and by November 1st each year thereafter, the department shall publish its determination on the DOJ public website. If the department determines it is necessary to administratively adjust the DROS fee, the department shall provide

notice of the amount and date of the adjustment at least 30 days before the adjustment takes effect to all interested parties.

DISCLOSURES REGARDING THE PROPOSED ACTION

The Department of Justice has made the following determinations:

Mandate on local agencies or school districts: None.

Cost or savings to any state agency: None.

Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None.

Other nondiscretionary cost or savings imposed on local agencies: None.

Cost or savings in federal funding to the state: None.

Significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None.

Cost impacts that a representative person or business would incur in reasonable compliance with the proposed action: Individuals who acquire firearms will benefit from the \$5.00 decrease in the DROS fee. Firearm dealers may also benefit through increased firearm sales due to the lower DROS fee.

Significant effect on housing costs: None.

Small business determination: The department has determined the proposed regulations could have a positive impact on firearm dealers through an increase in firearms sales due to the lower DROS fee. Although the DROS fee is collected by firearms dealers, the full fee amount is subsequently submitted to DOJ by the dealers.

Assessment regarding effect on jobs/businesses: Adoption of the proposed regulations will not:

- (1) Create or eliminate jobs within California;
- (2) Create new businesses or eliminate existing businesses within California; or
- (3) Affect the expansion of businesses currently doing business within California.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5, subdivision (a)(13), DOJ must determine that no reasonable alternative was considered, or has been identified and brought to the attention of DOJ that is more effective in carrying out the purpose of the action proposed, or would be as effective and less burdensome to affected private persons than the proposed regulations. Any person interested in presenting statements or arguments with respect to alternatives to the proposed regulations may do so at the scheduled hearing or during the written comment period.

CONTACT PERSONS

Please direct inquiries concerning the proposed administrative action to Jeff Amador at (916) 263-0256, or Jennifer Almanza at (916) 274-6136. The mailing address for Jeff Amador and/or Jennifer Almanza is:

Department of Justice
Division of Law Enforcement/Bureau of Firearms
P.O. Box 160487
Sacramento, CA 95816-0487

AVAILABILITY OF RULEMAKING FILE INCLUDING THE INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

DOJ will have the entire rulemaking file available for inspection and copying throughout the rulemaking process. The initial statement of reasons and the text of proposed regulations are available at the DOJ website at <http://caag.state.ca.us/firearms/regs>. Copies may also be obtained by contacting Jennifer Almanza.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments received, DOJ may adopt the proposed regulations substantially as described in this notice. If DOJ makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days and accept written comments before DOJ adopts the regulations. Copies of any modified text will be available at the DOJ website at <http://caag.state.ca.us/firearms/regs>. A written copy of any modified text may be obtained by contacting Jennifer Almanza.

AVAILABILITY OF FINAL STATEMENT OF REASONS

Upon completion, the final statement of reasons will be available on the DOJ website at <http://caag.state.ca.us/firearms/regs>. You may also obtain a written copy of the final statement of reasons by contacting Jennifer Almanza.

AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations in strikeout and italics format, as well as the Final Statement of Reasons once it is completed, are available at our website at <http://caag.state.ca.us/firearms/regs>.